

SPEECH

MADE AT

HON. JOHN PURROY MITCHEL  
Mayor of the City of New York

AT THE DINNER OF THE  
COMMITTEE OF 107  
AT THE ALDINE CLUB

II

Monday, 10th Feb 1907

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## REMOTE STORAGE

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**Speech made by Hon. John Purroy  
Mitchel, Mayor of The City of New  
York, at the dinner of the Com-  
mittee of 107 at the Aldine Club,  
Monday, April 12, 1915.**

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Fifteen months ago the administration elected upon the city ticket put in nomination by your committee assumed the reins of government in this city. The citizen movement of which your committee was the expression was unique. It was predicated upon the theory that the people of New York were so disgusted with corrupt, machine-controlled, extravagant and inefficient government in state and city in the past, that the force of their opinion would compel all those parties opposed to autocratic boss government to accept a citizens' ticket nominated by a representative committee, irrespective and in spite of immediate partisan interests and desires. The result established the soundness of the theory.

Not one of the parties contributory to the Fusion movement of 1913 would have nominated the ticket which your committee put in the field had it been left to its own initiative. I doubt if any one of the parties would have nominated at the utmost more than one or two of those candidates. No two parties would have nominated any one of them. The fusion was a genuine citizen movement pressed upon the parties by the force of public opinion and the ticket was selected by the general citizenship through a representative committee and not by the parties.

It follows that the present city administration through its fifteen months of life has had to look for its support not to any party or parties, but to

the citizenship of the city. It must look only to the same source for support for the remainder of its term. This administration is without a party. It is responsible to no party, and no party feels responsible for it.

### **Theory of Fusion.**

There are two theories on which a fusion may be based, the non-partisan and the multi-partisan. The multi-partisan theory contemplates a parceling out of patronage to the parties in proportion to the value of their support. The non-partisan theory demands fitness, qualifications and experience first and a recognition of party service only when the party can produce candidates who conform to the highest standards of efficient government. This difference is what distinguishes the mere temporary federation of political elements effected for the capturing of a number of public offices, from a genuine citizens movement inspired by a determination to improve the character and standards of government. The interests of the citizenship in city affairs are often opposed to the interests of party, and an administration which is pledged to observe only the former must often find itself compelled to disregard the latter.

It is inevitable that, following such a movement as that of 1913, there should develop among the parties considerable discontent and irritation when the demands for recognition which they regard as fair are disregarded by the administration in fulfillment of its first duty to the citizenship to provide the most efficient service that it can procure. Furthermore, the natural selfishness of men leads each party to request far more than its fair share even upon the theory of a distribution of patronage based on service, and so each party feels aggrieved and badly used when the list of appointments has been completed.



### **Direct Responsibility.**

The present administration recognizes its direct responsibility to the citizenship. It has sought to deal equitably with the parties under the principle that I have laid down, but it is not responsible to them nor they for it. Its accounting will not be to them, but to the people of the city, and after the first fifteen months of its life it welcomes the opportunity to account for its stewardship to you, a representative body of the citizenship of New York, which called it into being, and which alone stands responsible for its existence.

### **Criticism—Attacks.**

Every administration, like every individual, that undertakes to do things, develops opposition and enemies. This one has been no exception. We have had some bitter critics who have not hesitated deliberately to lie about the acts of this administration. We have had some other critics who, through mistake or a lack of understanding of the facts, have charged extravagance and a failure to protect the interests of the taxpayer. We have been compelled to repel the insidious attacks of those who are constantly on the alert to break down the effectiveness of the laws framed to protect the people in their health, their safety, their comfort and the conditions under which they live. In framing new and sound financial policies to protect the taxpayer and the credit of the city, we have been charged by some with responsibility for conditions created by our remote predecessors, and great constructive plans for the development of the resources of the city and its commerce have been attacked through a misunderstanding of their details and their purposes.

It is essential, therefore, to the success of this experiment in city government for which your Committee of 107 is responsible, that the citizenship of

the City should learn from time to time from us and through the authoritative medium of your committee, what this administration has done and what it proposes still to do in discharging the obligations assumed at the election of November, 1913.

### **Appointments.**

The first duty that devolves upon the Mayor is the selection and appointment of the heads of his departments. I have already stated the principle upon which this was done. The field was canvassed to find men not only of capacity and personal ability, but men peculiarly qualified by specialized training for the discharge of the duties of each respective department. When private business organizes itself, it will not select a railroad man to run an industrial enterprise, or a civil engineer for the presidency of a trust company. It regards specialized training as essential to success in a specialized field. This principle I recognized as Mayor in selecting the heads of my departments. When men of the caliber and training I desired were found within the ranks of a party contributory to fusion, they were appointed, and I was glad of the opportunity to select them. When, however, men better qualified and better trained were found outside the lines of party organizations, they were appointed despite that fact. The result has been, I think, that the present commissioners of the city departments comprise as able and qualified a group of administrators and specialists in the problems of their respective departments as has ever been brought together in any governmental enterprise. These men, whether they have been drawn from the ranks of party organizations or from non-political civil life, have strictly and conscientiously excluded partisan influences from their departments, and have been inspired by a high ideal of civic duty and by a determined purpose to give to the City of New York the best and cleanest admin-



istration of its public affairs that it has ever known.

Mistakes are inevitable in the conduct of human affairs. Some mistakes have been and some will be made in the departments of the City under this administration. None of them, I am thankful to say, has been serious. They have all been of that minor nature inevitably incident to complex administration, but on the whole the result attained in the departments, I submit, is to-day the justification of your committee for its labors in the establishment of the present non-partisan business government of this City.

### **Police Department.**

Every preceding administration has been shipwrecked on the rocks of the police department. We have weathered fifteen months of storms, and the police department is better organized, more efficient, better disciplined, and with a spirit more responsive to the commissioner and the administration than ever before. We have had no scandal and no breakdown of police work. We have effected a broad reorganization of the department and have inspired the men with a confidence in their commissioner and in their officers, based on the assurance of a square deal and support in the discharge of their duties. The results speak loudly for themselves. Convictions for arrests of all kinds have increased from  $72\frac{3}{4}$  per cent. for the first quarter of 1914 to 78 per cent. for the first quarter of 1915, while convictions for felonies have increased from  $36\frac{1}{2}$  per cent. to 42 per cent. The department has addressed itself vigorously to the suppression and detection of crimes of violence. Gangs and gangsters have been unremittingly pursued. Gunmen have been catalogued throughout the Greater City. Each known gang is assigned to particular detectives who are responsible if the gang commits crime. The work of detecting crime has been reorganized and enormously improved. It is in this field that results in crime prevention can be especially

attained. The best example of effective work done in this field was the arrest of the anarchists in St. Patrick's Cathedral as they were about to explode a bomb. This was achieved only after months of painstaking surveillance at great personal risk to the detectives assigned. It demonstrates the kind of work that the Police Department can do when it has the support and confidence of the people.

The system of patrol has been remodelled and modern devices such as signal flashlights, the motorcycle, the automobile patrol and frequent substations in outlying districts for bicycle policemen have been adopted or extended. The detective bureau has been increased and reorganized, and specialized squads have been established. The line-up has been restored, and a better co-operation between the detective force and the uniformed force established. The training school has been developed, and men of all ranks brought within the scope of its work. No man is promoted without going through a course for officers.

But most important in the achievements of the present police commissioner is his establishment of a new morale among the men, with an increased respect for their own duties and increased loyalty to the commissioner and to the administration. The men are to-day inspired by a desire to perform effective police work for its own sake, and because they know that reward or punishment depend solely upon the character of service rendered and are to-day divorced absolutely from influence, political or personal.

In the matter of broader police policies, we have remembered that this is a great cosmopolitan and metropolitan community with highly complex problems and with every shade of opinion. The duty of the police is to administer the law given by the legislature of the state without unnecessary harassment of the people or unnecessary interfer-

ence with their personal liberties. One matter that has given preceding administrations much concern was the one o'clock closing law and its infringement, together with application for the issue of all-night licenses. This problem we have solved by issuing to orderly resorts all-night licenses upon the condition that they agree voluntarily to close at two o'clock, and with the understanding that, in the event of a breach of the agreement, the all-night license will be revoked and the one o'clock closing law strictly enforced. The plan has worked very satisfactorily, and I believe that the results in added comfort and convenience to the people, and the prevention of petty breaches of an over-rigorous rule have fully justified our plan.

Every administration is confronted with the excise problem. In this matter we have pursued in part the policy of Mayor Gaynor, and have kept the police force out of the liquor saloons except when investigating specific complaints, or on the direct order of a superior officer. It was this policy which dissolved the dishonest partnership between certain policemen and the saloon keepers, and has resulted in the raising of the morale of the force. We are persistently endeavoring to secure effective enforcement of the law, and are progressively securing better and better enforcement. Our policy is to go slowly and surely, carrying out measures of enforcement just as far as we possibly can without corrupting and weakening the human machine with which we have to work.

### **Health Department.**

In no department have greater constructive results been attained than in the department of health. Dr. Goldwater is the first commissioner to realize and avail himself of the extraordinary powers conferred by the Charter upon that department, and while broadening the work of the department and carrying it to a higher plane, he

has inaugurated a great campaign of public education in health matters. As an aide to his own judgment, he has established an advisory council of one hundred and seventy-five representatives of science, and of the business and social life of the city, and has associated with himself this committee in the consideration of questions of department policy. The department had modernized the Sanitary Code; it has reclaimed the field of industrial hygiene, and its work here will reflect itself in the improvement of the health of industrial workers. It has laid the foundation for an adequate system of isolation hospitals. Two sites were approved in 1914, and the first of the new buildings is nearing completion. The principle of full time service has been established. It has notably increased the protection of the city's food supply, for example, by the pasteurization of 90 per cent. of the city's milk supply and by the supervision of food manufacturing establishments. Its general work is reflected in the lowest general death rate and lowest infant mortality rate of any city in the United States.

Perhaps the most interesting of the undertakings of this department has been that to secure better conditions of transit for the people of the city. Everyone has known for years that our surface and subway cars have been crowded to a point dangerous to the public health. Every agency supplied by State and City has unavailingly attempted to better these conditions. The Health Department, by the simple expedient of notifying the transit companies that the operation of overcrowded cars is a menace to public health, and by the promulgation of an order of the Board of Health forbidding overcrowding in the cars, has compelled these companies to increase their service and decrease congestion. This order is issued under power conferred by the Charter and its breach is punishable by heavy fine. In the successful use of this power has been found the

only effective means of attacking the overcrowding problem in the surface and subway cars of this city. Dr. Goldwater told me only two days ago that the operator of the subway will be compelled, under his regulations to maintain during the summer a full winter schedule, and thus afford thousands of additional seats to the traveling public.

### **Street Cleaning Department.**

The work of street cleaning is technical and specialized. For that reason, I appointed a specialist, a man who had developed his specialty by years of training. The work of the department has been reorganized and systematized, with the result that the streets of the city, even under the great handicap of construction work proceeding at so many points, are cleaner than at any time since Colonel Waring's day. A general system of street flushing has been put into force, and the equipment for street scrubbing has been doubled. The equipment of the department is being gradually modernized. Five hundred of the two thousand ash and garbage carts of the department have been covered, and arrangements completed to cover eight hundred more within a very short time. A model district has been organized and laid out, in which thoroughly modern and scientific equipment will be used. On the basis of the results obtained here, the city will be able to determine the value in results and the cost of modernizing the equipment of the department throughout. If, as the commissioner predicts, a reduced expense of operation demonstrates the economy of the application of this plan to the whole city, we may look forward to the day when ash and garbage carts will be covered, and the city's refuse will be conveyed to its point of disposition in odorless, dustless, motor driven vehicles, and when the streets, by scientific sweeping and



flushing, will be kept constantly in a state of real cleanliness.

This winter a new plan of snow removal was put into force. The department organized a great force of emergency men subject to call in the event of snow. These men were put into the field within a few hours after the beginning of a snow storm and either swept the snow into the sewers where they were of a character to permit it, or piled the snow for removal later by the carts and trucks of the department. While weather conditions favored the department much more this year than last, the new system has demonstrated its worth, and the streets of the city were open to traffic and the snow removed more quickly than ever in the history of the department.

The department planned this year to translate the present annual deficit of \$1,400,000 incurred in the final disposition of city refuse into a profit. To that end it asked of the legislature a bill to enable it to make a long term contract in place of the present 5-year contract, or, in the alternative, to build a plant and secure a private operator to equip and run it on a profit-sharing basis. Here we encountered much misrepresentation and mistaken criticism. It was charged that this bill would give to the prospective contractor the opportunity to make an undue profit at the expense of the city. As the city now pays its contractors \$1,400,000 annually, which under the bill would have been saved net to the city, the plan certainly would have profited him \$1,400,000 less than a continuation of the present method. Furthermore, the very essence of the plan was a profit sharing with the city on the basis of the investment of each. It seems to me that if the city is not in a financial position to erect and equip the entire plant—a matter of a \$9,000,000 investment—it would not be unfair to allow private capital a profit upon the investment which the city invites it to make in the



enterprise. However that may be, these arguments, though the bill passed the legislature, led the Governor to veto it, and the city must go on paying out \$1,400,000 annually until some time in the future another bill conferring the necessary power can become law.

### **Dock Department.**

The largest physical constructive problems which this administration is called upon to solve falls within the jurisdiction of the dock department. They are also the most important to commerce and to the business interests of New York. In 1914 the department constructed 134,000 square feet of new piers as against 59,000 in 1913. It has negotiated a great number of new leases at increased rentals, and has secured the extension and reconstruction by private capital of piers upon city owned land at increased rentals to the city. It has readjusted leaseholds and provided better facilities for the marine commerce of the city, and in 1914 it transacted its business with a decreased administrative expense of \$312,000 under that of the preceding year. Furthermore, it has translated a deficit on the Staten Island Division of the Municipal Ferry, which in 1912 was \$189,000 into an operating profit of slightly over \$15,000.

The three most important constructive projects of the department are:

First, the building of a terminal freight railway along the waterfront of Brooklyn from the Brooklyn Bridge to 65th Street. The plans have been completed; the funds have been set aside; the scheme of operation has been worked out. The project is waiting only on the signature of the Governor to the enabling act which permits the city to get, as joint operators of the enterprise, all of the eastern trunk line railroads with termini in this port. The bill was heard by me this forenoon and will, I have every confidence, be signed by

the Governor next week. That enterprise will add \$100,000,000 to the taxable values of the city and bring countless millions to our people through the development of our commerce and our industries.

The second great constructive project is the adjustment with the New York Central of its terminal facilities upon the west side of Manhattan Island. Plans for a complete adjustment which will put the railroad off the surface of the city streets and under cover through the city's parks have been long in process of preparation by the department, and are now in the hands of the terminal committee of the board of estimate for consideration.

The third great project is for the construction of an immense dry dock on the Brooklyn waterfront. This port is without a commercial dry dock that will accommodate thousand-foot ships. There is every reason why the port of New York should not go longer without that facility. While plans for these works are either completed or in process of preparation, the department is rapidly progressing the building of the thousand-foot piers at Forty-fourth street for the accommodation of the largest trans-Atlantic liners.

### **Fire Department.**

The fire department, upon a budget lower by \$55,000 than in 1914, has organized a series of new companies which, by July, will equal a fire department of a city the size of Rochester or Buffalo. It has done this by the exercise of strict business economy, and by a reorganization and redistribution of its personnel. The work of fire prevention has been carried forward and improved, with the result that the fire loss was kept to a figure lower than that of any year since 1907, with the exception of two years, and in this field the power of the department has been materially increased by the action brought by the Commissioner which has established his right, for the first time in the City's

history, to collect the expense of fighting a fire caused by culpable and willful negligence.

The department plans, before the expiration of this administration, to construct a new and modern fire alarm telegraph system for all boroughs; the complete motorization of the department throughout; to inaugurate and operate for revenue fire alarm systems in buildings. It is estimated that by this plan sufficient revenue can be collected to defray the entire cost of the fire alarm signal system. By a careful study of the organization of the force, and by taking full advantage of motorization, it is hoped that no increase will be necessary in the uniform force.

### **Department of Correction.**

The achievements of the department of correction have been both administrative and in the field of constructive planning. Effective discipline in all institutions has been established; some twelve or fifteen dishonest employees have been arrested and convicted. Effective checks have been placed upon the drug traffic in the institutions, and broad improvements in the medical service have been made. The institutions under the department of correction have hitherto been corruptive rather than correctional. Almost every condition existing within them combined to degrade and vitiate the prisoners, and to send them back into the community worse equipped for participation in its social life than before. The great work of the present administration has been to change the spirit and character of these institutions and to make them correctional in fact. In furtherance of this, Miss Davis has established a new reformatory at Hampton Farms, where correct reformatory principles are applied. She has developed plans for a rebuilding of the department's plant with the correctional idea in view at an estimated cost of \$2,000,000 in place of the \$10,000,000 heretofore estimated as the

cost of this undertaking, and has outlined a scheme whereby the department may be made self-supporting within the next ten or fifteen years instead of costing the taxpayers \$1,300,000 per year as at present.

Commissioner Davis has established a calendar for the remainder of her administration which, if funds can be found, the city should certainly carry out. It contemplates the removal of the entire reformatory population from Hart's Island to New Hampton within the next year and a half; the removal of the workhouse men from Blackwell's Island to Riker's Island; the quartering of at least 1,200 penitentiary prisoners at Hart's Island within a year; the erection of a new detention home for women within the next year and a half; the purchase of a two-hundred-acre farm for women in the country; a careful reorganization of the industries of the department within the next two years; the establishment of a hospital for drug users accommodating 125 patients at Hart's Island, and the utilization of the Hoff-Mills Parole Bill to make the department self-supporting through the use of the labor of its wards.

Most important of the contributions of Miss Davis is her establishment of the true principle of correction. Her administration recognizes that useful employment, decent sanitary conditions and proper treatment are necessary to make these institutions curative as well as punitive.

### **Department of Charities.**

A heavy burden has fallen upon the Department of Charities this year. Probably never before in the history of the city has there been so severe a demand upon the generosity and good will of the community. During the year 1914 the Commissioner of Charities has been pressed on the one hand by the consequences of war abroad, and by

abnormal industrial conditions at home, and on the other hand by the activity of a host of detractors and enemies, who have had special interests or prejudices to serve. Despite these conditions, the department has been able to add no small number of constructive achievements to its credit.

By quiet, careful work in improving methods of purchasing, handling, preparation and distribution, the City has been able to feed in 1914 a total average of 2,400 more people per day than in 1913, without the expenditure of a single additional dollar. Most significant of all, this has been accomplished simultaneously with an improvement of the quality and an extension of the variety and quantity of the food supplied to the poor.

Commissioner Kingsbury has established a Bureau of Social Investigations, which undertakes for the first time to do family rehabilitation work in the homes of the poor and which in its first six months of existence returned 1,300 children from institutions to their homes, effecting a total saving to the City of \$200,000.

We have for the first time exercised the power inevitably incident to the control of the purse-strings to try to establish and maintain in the private subsidized institutions of the city the same high standards and ideals which we are endeavoring to set for the institutions directly conducted by the city.

We have completed the organization of a modern hospital, which in form of medical service will rank with Johns Hopkins and Massachusetts General as one of the best hospitals of its kind in the country.

We have done away for all time with that gruesome chamber of horrors popularly known as The Morgue, and substituted in its place a well-appointed modern mortuary.

We have established a winter annex in connection with the Municipal Lodging House, equipped to take care of 1,500 homeless men who hitherto had



been compelled to sleep on the bare boards of the prison pen and the pillowless floor of the Morgue.

At the outset of this administration I expressly directed Commissioner Kingsbury to turn his efforts not only toward the proper housing, feeding and clothing of the poor, but toward an examination into the conditions which create poverty and toward the elimination and prevention of those conditions. A beginning has been made in this direction. It is our hope that we may be able to take substantial forward strides during the next three years.

We want to make the Municipal Lodging House something more than mere sleeping quarters for tired, hungry men, out of work; we want to make it a great human repair shop, manned and equipped to rebuild the broken lives of those who enter its doors for help. Through our Bureau of Social Investigations we want to carry on preventive social service work in the houses of the poor. We want to make the institution for feeble-minded children at Randalls Island one of the most celebrated rather than one of the most notorious institutions in the country. We want to elevate the standards and ideals of all our public institutions to such a position that they may become models of their kind throughout the world, and at the same time to compel the private institutions which receive money from the city to live up to the same standards and ideals. We want to introduce into the work of the department the most approved modern method of efficiency and economy, and what is even more important, to humanize the machinery of this branch of the city government.

This department will inevitably need additions to its physical plant in the near future. The City must care for its dependents, and the institutions are already crowded beyond capacity.



### **Other Departments.**

I might go on, if time were at my disposal, to review the work of the other departments—to point out how the department of water supply, on a budget decreased by \$570,000, has extended the lighting system of the City and improved its quality; how this department has obtained lower rates from the lighting companies; how it has extended the system of the City's water mains, and is now negotiating with the private water companies in Queens for the acquisition of their distributing systems on a basis that will not be burdensome to the taxpayer; how the bridge department has advanced construction work to meet the opening of our rapid transit system; how the department of licenses has established its new employment bureau, has controlled the theatres and the moving picture houses, has exercised sanitary control over the issue of new licenses, and has protected the morals of the community through its supervision of dance halls and public exhibitions; how the civil service commission has reorganized its system of competitive and physical examinations, devising a more scientific selective method, and has reorganized its force for the better discharge of its duties—but a complete review of these and of the other departments would require too much time, and the record has been made, in part, currently in the press.

### **Executive Control.**

It is not sufficient for the Mayor to appoint the heads of his departments and send them into the field. If his administration is to be successful, he must work with them constantly day by day. No Mayor heretofore has ever tried to be the business manager of the city. I conceive that he should be, that he must be if his control is to be real as well as theoretic. It is not enough to sit quietly by, as has been the custom in the past, and wait for situations to arise, for difficulties to be presented by the

administrative heads of the departments, to commission them to make good if they can, and to supplant them if they fail. The Mayor should work day by day with them on the problems of administration and of policy. That he cannot do directly personally. His time is too far consumed by the meetings of deliberative boards, and by essential interviews, conferences and public meetings. He must have time at his disposal for consideration of the great questions of city-wide policy. His executive control, therefore, must be through an agency. The agencies I have employed for this purpose have been the Chamberlain and the Commissioner of Accounts.

I invited Mr. Bruere to become Chamberlain with this particular plan in mind. I wanted someone with a thorough knowledge of the organization of the city government, and with capacity for handling the problems of administration, to assist me in keeping a centralized executive control of the administration of the departments within my jurisdiction, to work with the heads of departments critically and constructively, and with them, bringing to the consideration of questions the point of view of the executive, to formulate and present to me in thoroughly digested form the questions that require executive decision.

The office of chamberlain afforded this opportunity, because the functions and duties of the office are such as to leave a surplus of free time for devotion to work of this character.

The office of the commissioner of accounts, although primarily investigative and auditing in the nature of its duties, has also been valuable for a great portion of this work. It was my plan to reorganize that office, to make it a single-headed commission, to make its duties constructive as well as critical and analytic—to make it, in short, the Mayor's arm and agent of administration, studying problems of the departments, co-operating in

the solution of them, developing with them, from the executive point of view, methods and processes, and principally keeping the Mayor constantly informed directly of the operations of all those portions of the government for which he is responsible. The legislature of last year denied my application for a one-headed commission, constructive in name as well as in duties. The legislature of this year has before it a bill of this character. If it passes, I can make the work of the Mayor, in controlling the administration of the departments vastly more effective. If it fails, I must get on as best I can under conditions as they are.

### **Commissioner of Accounts.**

In the meantime, the commissioner of accounts has continued the effective discharge of his general investigative duties, with the result that his report upon an exhaustive study of the elective coroner system has brought about the enactment of a law which will abolish that system at the expiration of the terms of the present coroners, and will substitute for it an effective and economical system for the investigation of homicide cases.

The office has conducted a large number of special investigations at my direction and upon its own initiative, including that of the discharge of its duties by the board of building examiners.

On the constructive side, it has completed an exhaustive survey of the departments under the jurisdiction of the Mayor, with a view to disclosing and eliminating conflict and duplication of functions, the results of which are reflected in graphic charts employed in the work of general reorganization accomplished and under way. It has collaborated in budget preparation, and in the solution of a thousand administrative problems.

### **General Problems.**

This administration has been confronted with serious conditions which lay beyond the field or

jurisdiction of any one of the departments. The European war and business depression at home created last winter an unprecedented condition of general unemployment. This the government of the City, while not recognizing any legal obligation, undertook to relieve as far as lay in its power. Public works of all kinds projected for the immediate future were advanced by the departments and by the Board of Estimate to the point of actual beginning with all possible speed.

A large citizens' committee, representative of the business, financial and social interests of the city, was appointed by me, and undertook at once a study of the underlying conditions of unemployment and the immediate relief of those in most pressing need. This committee collected approximately \$200,000, and established throughout the city some twenty-two workshops, in which over 4,500 men and women have been employed during the past winter on useful work, and at wages sufficient to keep them from becoming public charges, and under conditions which permitted them to seek, and many of them to find permanent employment. Realizing that the unemployment problem is intimately connected with our industrial system and wishing to have this responsibility indicated, I asked Judge Gary to accept the chairmanship of this committee.

With the outbreak of the war, there came a threat of heightened food prices. To deal with this matter, I appointed another citizens committee which has conducted, through the public schools and through the public press, a campaign of general education, and has contributed in large measure toward discouraging the imposition of exorbitant food prices.

At the time when numberless New Yorkers were abroad, and seemed to be unable to secure means of transportation to the United States, a third committee was appointed to cooperate with the national government in facilitating their return and

in relieving those who might arrive in destitute condition.

The work of all of these committees has helped materially in bringing us successfully through a winter of extraordinary stress and trouble.

### **The Budget.**

By suggestion and by direct statement this administration has been charged by its enemies with extravagance. What is the truth?

By the exercise of painstaking economy, by taking advantage of every means at hand, by improving processes, by eliminating duplication, by dropping supernumeraries, the departments of the Mayor are today operating on an annual basis one million and a half lower than last year. The administrative cost of government which covers these departments, the Borough Presidents and the Comptroller, has been reduced in the budget of this year two million dollars below that of last year. In this field where alone the Board of Estimate has jurisdiction and power, it has cut the cost of government way down below what it ever was before.

Our budget has increased despite this fact. Yes, but because increases took place over which we had no control. There were three and a half million more uncollectible taxes to provide for in this budget than in that of 1914. There was an increase of seven millions in debt service, due to bonds issued in 1914 but authorized long before, due to the high interest on the \$100,000,000 loan and due to the \$2,000,000 revenue bonds for last winter's snow removal which had to be redeemed. There was an increase also in the allowance for education to provide for mandatory salary increases and for additional teachers to care for the increased number of pupils in the system.

These increases which we could not control over-balanced our saving of \$2,000,000 and sent the



budget up \$6,000,000 to its present total of \$199,000,000.

Next year we will be able to balance every increase even those due to the new financial policy, by a saving or a reduction, so that our budget and our tax rate in 1916 would not go up, were it not for the proposed direct State tax. If your tax bill in 1916 is higher than that in 1915, you will know that it is due to the levy that the State may make upon us this year.

### **New Financial Policy.**

Gradually over a period of much more than half a century, the City of New York has been piling up a municipal debt of huge proportions. This debt was incurred for almost every conceivable purpose. Although theoretically contracted only for physical improvements of a permanent nature, partly through loose practice and partly by fraudulent design, the proceeds of the City's borrowings were used for purely temporary purposes—such as wages of maintenance forces, and the cost of perishable personal property.

Gradually in recent years a better practice has been built up until, under the administration of Mayor Gaynor, the board of estimate carefully distinguished between the permanent improvements for which long term bonds were issued, and maintenance charges carried out of the tax levy of the year. But when this administration came into office, the gross debt of the city had reached the staggering figure of \$1,223,918,429.58, while the net funded debt was \$898,013,401.88. In the budget of the present year we carry the sum of \$59,000,000 on account of debt service alone. Manifestly it was incumbent upon some administration to put a stop to the increase of this crushing debt. The present administration faced the situation frankly and undertook that duty.

At the time when we negotiated the \$100,000,000



loan of last September, we declared a new financial policy. We declared that we would hereafter carry in the tax budget of the city, in increasing proportion, the cost of permanent public improvements of a non-self-sustaining character until, at the expiration of four years, we would carry in the budget the entire cost of such improvements.

This is a radical departure from the City's former policy. It will, of course, add in the immediate future large sums to the budget of the City. It was necessary, however, as a step to protect the credit of New York. It puts the City, for the first time in its history, upon a pay-as-you-go basis.

In the course of a number of years, the reduction in debt service on account of non-self-sustaining improvements will more than balance the yearly sum which the City must carry on account of the quota of such improvements for the current year.

This is clear when we realize that issuing 4½ per cent. bonds at the rate of \$20,000,000 per year, the interest and sinking fund charges carried in the budget at the end of 20 years would amount to upwards of \$20,000,000. So, if the amount of capital expenditure is approximately the same each year, and if we begin to carry all our non-self-sustaining improvements in the budget now, the annual saving in interest and sinking fund in 20 years will equal the full amount which we will then be carrying in the budget. In the meantime the decrease in debt-service due to the redemption each year of some bonds now outstanding will be a further offsetting reduction.

This new policy did not affect the budget of 1915. The first budget which will feel its effect will be that of next year. We must write into that budget one-quarter of all bonds issued in 1915 for improvements authorized during 1915, and an additional sum to pay interest and amortization charges upon the fifteen-year serial bonds to carry the balance. In the following year, a still larger sum must

be carried in the budget, for then one-half the cost of all bonds issued for improvements authorized in 1916 will be carried directly in the tax budget; in the following year, three-quarters, and so on.

### **Tax Situation.**

The budget situation for 1916, I have already explained. What I have just told you demonstrates that in 1917 and subsequent years the people must look forward to a budget materially increased over the figures of this year, because of this new financial policy. We have been steadily reducing the cost of running the departments of the city. After making the budget of 1916, in my judgment, we will have reduced the cost of running those departments as far as we can upon the basis of the present service rendered. In the absence, therefore, of the repeal of mandatory legislation which would permit us to economize in the field over which at present we have no control and, in my judgment, even allowing for all the economies that we could effect in that field, the City of New York, when it makes its budget for 1916 and subsequent years, will be face to face with the following problem:

Unless the people are willing to accept a higher tax rate upon real property and to carry the increased cost of the direct state tax in 1916, and of the new financial policy in 1917 and subsequent years as a charge upon real estate, the government of this city must either greatly reduce its activities and the service which it now renders to the people, or it must develop some new sources of municipal revenue.

If the people are willing to submit to the reduction of service by eliminating such activities as the recreational work of the city, a part of the health protective work, a material part of the educational work, we might perhaps succeed in reducing the budget by several million dollars. But even this,

in my judgment, would fail to balance the inevitable increases of the next four or five years.

The alternative to this reduction of service and curtailment of activities is the development of new income in a sum sufficient to carry the increase in the budget. Such income can only be developed through taxation of one kind or another. A commission of my appointment has been at work for upwards of a year developing suggestions for such a plan for raising added revenue. It is now past the time when the legislation necessary to carry any plan into effect could be enacted this year. Ample time remains for the development, the discussion and the adoption of a plan before the legislature of 1916 convenes. No more crucial or fundamental problem is presented to this government than that of deciding between the curtailment of service and the development of new revenues. The whole future of New York depends upon the decision. The government cannot solve this question by itself. It must have the help of the whole citizenship, and all those interested in the welfare of New York as well as those who are responsible for the existence of the present administration, owe it as a duty to bring us their advice, their suggestions, their co-operation and their support.

### **Home Rule.**

New York City is governed very largely from Albany. We have not the power to regulate our local affairs. We are compelled when we need to make slight changes in the organization of our departments, and often even in purely administrative matters, to go to Albany. This year we asked the legislature for a series of bills necessary to the economic and effective conduct of our business. A number have been given us, among them the Marginal Railway Bill, the Trade Waste Bill and the Final Disposition Bill.

Other and still more important bills are before the legislature.

We have asked for a small board of education. Every intelligent, disinterested student of the question agrees that the present board is unwieldy, and that a small, compact, businesslike could administer the schools vastly more economically and efficiently. That bill would mean millions in saving to New York.

We have asked the Commissioners of Accounts Bill, which I have already explained. It remains in committee.

We have asked an effective Central Purchase Bill. The bill, which was the result of a conference and agreement of members of the board, remains in committee, and another which we did not ask and did not want has been enacted.

Most important of them all, we have asked a bill giving to the board of estimate and the board of aldermen the same jurisdiction over the salaries and numbers of city and county employees, which they now have over those in the departments under the jurisdiction of the Mayor. This bill would give the board of estimate the power to save the taxpayers many millions of dollars in the next and ensuing budgets. The bill is still in committee. I am told it will not pass because of the opposition of city employees. It has come to the point when the organized city employees are stronger at Albany than the government of the city and the taxpayers combined.

All this legislation, asked, granted or denied, as well as the interfering, disruptive and vicious Lockwood Bill, devised and pushed to the point of final passage by certain landlords and land speculators, merely demonstrates the imperative necessity for genuine Municipal Home Rule.

Real Home Rule New York will never get from the legislature. We will go to the Constitutional Convention this year, however, with a demand for

home rule fortified by constitutional provision, a demand which will not be expressed by the voice of this city alone, but will be dinned into the ears of the constitutional delegates by the united voices of fifty-four cities of this state. At last, I am happy to say, the cities of this state recognize their common necessity, and are banded together in a federation of mutual interest to obtain from the convention the powers that will permit them to develop their local governments and their local opportunities untrammelled by legislative interference.

These, gentlemen of the Committee of 107, are some of the accomplishments, some of the undertakings and some of the problems of the present city administration. For them we bespeak your earnest consideration and in our efforts to conduct a businesslike and a forward looking government, we ask the co-operation of the entire citizenship.



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